

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0200-01
Bill No.: HB 169
Subject: Attorneys; Cities, Towns and Villages; Counties
Type: Original
Date: January 28, 2013

Bill Summary: This proposal modifies provisions relating to the collection of certain surcharges to be paid to the Missouri Prosecuting Attorneys and Circuit Attorneys' Retirement System Fund.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government*	\$0	\$0	\$0

*Offsetting income and expenses regarding the Prosecuting Attorneys and Circuit Attorneys Retirement System.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Prosecutor's and Circuit Attorney's Retirement System (PACARS)** assume this proposal replaces a revenue stream which was previously in place as part of the funding of PACARS. As time has passed, more counties have opted to process traffic citations initially through the fine collection center. Therefore, revenue in the form of the \$ 4 surcharge on cases handled by the Prosecuting Attorneys, has gradually been eroded. The legislation replaces that lost revenue stream by including the surcharge as part of the costs paid by persons pleading guilty at the fine collection center. The legislation, therefore, contributes to the financial stability of PACARS.

Officials from the **Joint Committee on Public Retirement** state that based on information provided by Office of the State Courts Administrator (CTS) in 2012, provisions included in this proposal would increase the surcharge contribution to PACARS. The estimated revenue as provided by the CTS of the inclusion of the \$4 fee paid to the fine collection center would be approximately \$611,988.00. Depending on the PACARS annual actuarial valuation and the resulting funded ratio, the county monthly contribution may be adjusted. The current funded ratio of 99% would allow for current monthly contribution levels to remain unchanged.

Officials from the **Office of Prosecution Services** assume the current proposal would not fiscally impact their agency.

Officials from the **Office of the State Courts Administrator** did not respond to Oversight's request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
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LOCAL GOVERNMENT

<u>Revenue</u> -Increase in surcharge contribution to Prosecuting Attorneys and Circuit Attorneys Retirement System	\$509,990	\$611,988	\$611,988
<u>Expense</u> - Surcharge contribution to Prosecuting Attorneys and Circuit Attorneys Retirement System	<u>(\$509,990)</u>	<u>(\$611,988)</u>	<u>(\$611,988)</u>

ESTIMATED NET EFFECT ON LOCAL GOVERNMENT	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Currently, each county treasurer must transfer a specified sum of money each month to the Prosecuting Attorneys and Circuit Attorneys' Retirement System Fund for use by the fund.

Beginning August 28, 2013, the county contribution must be adjusted in accordance with the following schedule based on the retirement system's actuarial valuation report:

- (1) If the system's funding ratio exceeds 120%, no monthly sum must be transmitted;
- (2) If the system's funding ratio is between 111% to 120%, the monthly sum transmitted must be reduced 50%;
- (3) If the system's funding ratio is between 90% and 110%, the monthly sum transmitted must remain the same;

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FISCAL DESCRIPTION (continued)

- (4) If the system's funding ratio is between 80% and 89%, the monthly sum transmitted must be increased 50%; and
(5) If the system's funding ratio is less than 80%, the monthly sum transmitted must be increased 100%.

Currently, a surcharge of \$4 is assessed and collected in all criminal cases filed in court, including any violation of a county ordinance or any violation of the state's criminal or traffic laws, including infractions. The proposal adds any person who has pled guilty and paid a fine through a fine collection center to the list of those who are to be assessed the surcharge.


This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Joint Committee on Public Retirement
Office of Prosecution Services
Prosecuting Attorneys and
Circuit Attorneys' Retirement System

Not Responding

Office of the State Courts Administrator



Ross Strope
Acting Director
January 28, 2013